



ROBINSON MCFADDEN
ATTORNEYS AND COUNSELORS AT LAW

ROBINSON, MCFADDEN & MOORE, P.C.

COLUMBIA, SOUTH CAROLINA

October 19, 2009

VIA ELECTRONIC FILING

The Honorable Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Synergy Business Park, Saluda Building
101 Executive Center Drive
Columbia, SC 29210

Frank R. Ellerbe, III
1901 MAIN STREET, SUITE 1200
POST OFFICE BOX 944
COLUMBIA, SOUTH CAROLINA 29202

PH
(803) 779-8900 | (803) 227-1112 *direct*

FAX
(803) 252-0724 | (803) 744-1558 *direct*

fellerbe@robinsonlaw.com

**Re: State Universal Service Support of Basic Local Service included in a
Bundled Service Offering or Contract Offering
Docket No. 2009-326-C**

Dear Mr. Terreni:

Enclosed for filing please find the Response of the South Carolina Cable Television Association, Competitive Carriers of the South, tw telecom of south carolina llc, and Nuvox Communications, Inc. to the Joint Motion for Review and the Commission's Order of October 15, 2009. By copy of this letter we are serving the same on other parties of record.

Yours truly,

ROBINSON, MCFADDEN & MOORE, P.C.

Frank R. Ellerbe, III

FRE

cc: F. David Butler, Hearing Officer (via email)
Other parties of record (via email & U.S. Mail)
John J. Pringle, Jr., Esquire (via email)

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2009-326-C

IN RE:)	
)	Response of South Carolina Cable
)	Television Association,
State Universal Service Support of)	Compsouth, NuVox
Basic Local Service Included in a)	Communications, and tw telecom of
Bundled)	south carolina llc to the Joint
Service Offering or Contract Offering)	Motion for Review of ORS and the
)	SCTC

INTRODUCTION

The South Carolina Cable Television Association, CompSouth, NuVox Communications, and tw telecom of south carolina llc ("Competitors")¹ submit this response to the Motion for Review filed by the Office of Regulatory Staff ("ORS") and the South Carolina Telephone Coalition ("SCTC"). This response will also address the Commission's inquiry in its order of October 15, 2009, concerning aggregation of data. As will be shown below, the Commission should deny the joint motion for review and affirm the Hearing Officer's Order. The Hearing Officer's order gives the documents more than adequate protection, especially since similar documents have been treated as public documents by Carriers of Last Resort ("COLRs"). The documents are highly relevant to this proceeding and aggregation of the information contained in them will not be a substitute for the forms themselves.

¹ The term "Competitors" instead of "CLECs" is used here for a reason. The parties to this proceeding compete for more than telephone service. There is also intense competition for broadband services and video services. These other services are especially important in this proceeding focusing on bundles

BACKGROUND

Competitors submitted discovery requests to ORS on August 13. Among the requests to ORS was a request for the production of the forms that COLRs are required to submit annually to receive funds from the South Carolina Universal Service Fund ("USF"). Competitors served all parties to this docket with copies of the requests to ORS. ORS objected to producing the forms and Competitors filed a motion to compel on September 16th. The motion to compel was served on all parties to this proceeding. ORS filed a response to the motion and Competitors filed a reply. No other party to this proceeding made any submission addressing the motion to compel.

On October 7, 2009 Hearing Officer David Butler issued an order granting the motion to compel and imposing stringent conditions to protect the confidentiality of the information that he required ORS to produce. In recognition of the approaching deadlines for filing testimony, the order required the documents to be produced within five days. The protective provisions of the order required the documents be shared only with counsel, experts, and company representatives not involved in "marketing, manufacturing or strategic or competitive decision making." Hearing Officer Order, p.7. Under the order every individual obtaining access to the confidential documents is required to sign a statement acknowledging the terms of the protective order. Hearing Officer Order p. 8 and attached Exhibit A.

On October 12th the ORS and the SCTC filed a joint motion seeking Commission review of the Hearing Officer's order. No documents were produced and counsel for ORS indicated that none would be produced. Counsel for Competitors then wrote the Commission on October 14th asking the Commission to take up the issue on an

because the bundles increasingly include broadband and video services.

expedited basis. Counsel for the SCTC and for Century Link wrote the Commission opposing the request by Competitors. On October 15th the Commission considered the matter and issued an order requiring the submission of additional information by the parties and scheduling the matter for further consideration at its meeting scheduled for October 21st.

ARGUMENT

a. The Forms are relevant.

The documents that are the subject of the Hearing Officer's order are forms that are required to be filed by Carriers of Last Resort in order to obtain funds from the USF. The filing requirement is found in the Commission's Administrative Procedures which were approved and adopted in Order 2001-996 in Docket 1997-239-C. According to the Administrative Procedures the data contained on the forms is to be used to determine the amount of High Cost Support each COLR is entitled to. The calculation of High Cost Support is explained by the Administrative Procedures:

COLRs will receive High Cost Support based upon the number of eligible residential and single-line business lines served by such COLR in a Designated Support Service Area. The amount of High Cost Support is determined by multiplying the number of eligible lines by the per line support available for such lines in the designated support service area.

Administrative Procedures, p. 3.

Competitors assert that under these provisions of the Commission's Administrative Procedures COLRs must submit information on their eligible lines and that in filling out the forms COLRs are currently required to distinguish between eligible and ineligible lines. Lines that are parts of bundles and contract offerings are ineligible for support and should be excluded like other ineligible lines that COLRs have been

excluding since the Administrative Procedures were first adopted.² Competitors have filed the testimony of Joe Gillan in this proceeding. Gillan discusses this issue in his testimony at page 9 line 10 through page 10 line 12. Competitors have a strong basis for obtaining the documents in discovery to gain an understanding of how COLRs have been complying with the Administrative Procedures. The Hearing Officer agreed that Competitors had made a sufficient showing to obtain discovery of the documents. That conclusion is clearly correct.

b. Aggregation of data.

It has been suggested by the SCTC that Competitors should be satisfied with a summary or aggregation of the data that is contained on the COLR forms. Aggregating or summarizing this data renders it meaningless. As discussed above, these forms are required to be prepared by each COLR every year and they show per line data for each company. See blank forms attached as Exhibit A. The only way that per line data could possibly be aggregated is by creating an average of various individual COLR per line figures. Averaged information would prevent Competitors from evaluating and understanding how the individual COLRs are classifying eligible and ineligible lines. Significantly, aggregated data would prevent Competitors from preparing and presenting argument and evidence that the inclusion of lines that are parts of bundles and contracts for purposes of the USF is inconsistent with the way the USF has been and must be administered pursuant to the Administrative Procedures and S.C. Code Ann. Section 58-9-280.

² The ORS/SCTC motion for review says that the number of eligible lines plays no role in how much funding COLRs obtain from the USF and that therefore Competitors have no need to obtain the forms in discovery. That argument flies in the face of the plain language of the Administrative Procedures and it is

c. The information sought by Competitors has not been consistently protected as confidential by COLRs.

Under common and statutory law, one of the key elements that must be shown to protect confidential business information is that the information must have been treated as confidential by the party trying to protect it. See Future Plastics v. Ware Shoals Plastics, 340 F.Supp. 1376 (D.S.C. 1972) (plaintiff had no basis for obtaining protection for information that plaintiff failed to treat as secret); see also, South Carolina Trade Secrets Act, S.C. Code Ann. Section 39-8-20(5)(a)(iii)(in order to meet definition as trade secret and be protected as such it must be shown that the information was the subject of reasonable steps to maintain its secrecy). The per-line data that is shown on the forms that are at issue has not always been protected by the COLRs whose information it is. In the first place, none of the COLRs made any objection when the Competitors requested that ORS produce the documents. Even when Competitors filed their motion to compel and the issue was briefed to the Hearing Officer no COLR made any effort to protect the information.

More significantly however, some of the COLRs have submitted similar data in previous USF proceedings. Attached as Exhibit B is a multi page exhibit introduced at a hearing held in Docket 1997-239-C in May 2004. That exhibit³ was introduced through SCTC witness Emmanuel Staurulakis in support of a request by certain of the members of the SCTC for additional USF funding. Although other documents – specifically, cost studies – were introduced under seal at the May 2004 hearing, the per-line cost information shown on Exhibit B was not protected from public disclosure in any way. A

certainly not a basis for refusing to allow discovery of the forms.

³ A version of the hearing exhibit attached as Exhibit B is currently available on the Commission's DMS as document #169016 in Docket 1997-239-C.

comparison between the blank forms attached as Exhibit A and the documents included in Exhibit B shows that at the May 2004 hearing the information currently sought by Competitors was treated as public information.

CONCLUSION

The Hearing Officer's order should be affirmed.

Competitors do not seek to have the documents they have requested released to the public. Competitors believe that the Hearing Officer's treatment of the documents was proper and correctly balanced their need for discovery with the legitimate interests of the COLRs in maintaining the confidentiality of the documents. There is no harm to the COLRs that will flow from the limited disclosure of the documents as required by the Hearing Officer. The order is narrowly tailored to prevent any competitively valuable information from being disclosed in a way that would allow it to be used for competitive purposes. In entering his order the Hearing Officer was following standard judicial practice for dealing with similar problems in litigation. See S.C. Code Ann. § 38-8-60(A)(provisions of the Trade Secrets Act specifying some of the steps that should be taken when confidential information is requested in litigation).

Competitors respectfully request that the ORS be required to immediately comply with the order of the Hearing Officer.

Dated this 19th day of October, 2009.

ROBINSON, McFADDEN & MOORE, P.C.



FRANK R. ELLERBE, III
BONNIE D. SHEALY
POST OFFICE BOX 944
COLUMBIA, SC 29202
TELEPHONE (803) 779-8900
FELLERBE@ROBINSONLAW.COM
BSHEALY@ROBINSONLAW.COM

COUNSEL FOR SOUTH CAROLINA CABLE
TELEVISION ASSOCIATION, COMPSOUTH AND tw
telecom of south carolina llc

AND

JOHN J. PRINGLE, JR.
ELLIS LAWHORNE & SIMS, P.A.
POST OFFICE BOX 2285
COLUMBIA, S.C. 29202
TELEPHONE (803) 343-1270
JPRINGLE@ELLISLAWHORNE.COM

COUNSEL FOR NuVOX COMMUNICATIONS INC.

EXHIBIT A

ATTACHMENT 1

SOUTH CAROLINA ANNUAL UNIVERSAL SERVICE FUND ILEC DATA REPORT

Pursuant to the Public Service Commission Universal Service Fund Guidelines, approved by Order No. 2001-996, all incumbent local exchange carriers are required to submit December 31 data on or before July 1 of the following calendar year. The data is required to be submitted by USF Designated Support Service Areas. This information is required to be provided to the Office of Regulatory Staff.

COMPANY:
WIRE CENTER:

12/31/2008

- 1 Number of Residence USF access lines served by Designated Support Service Area rate group.
- 2 Number of Single-Line Business USF access lines by USF Designated Support Service Area rate group.
- 3 Federal USF High Cost Support per access line for the USF Designated Service Area.
- 4 Authorized residential rate for each Designated Support Service Area.
- 5 Authorized single-line business rate for each Designated Support Area.
- 6 Appropriate subscriber line charges for Items (1) and (2) above.
- 7 Number of lines receiving Federal Lifeline Assistance.

1 _____
2 _____

COMPANY NAME:
DESIGNATED SUPPORT AREA:

ATTACHMENT 2

South Carolina State USF Per Line Support Calculation

		12/31/2008	
	<u>Source</u>	<u>Residence</u>	<u>Business</u>
Adjustments to High Cost Support			
1 Cost per line, <u>approved by the Commission</u>	SC USF Order		
2 Authorized Maximum Rate	Approved Tariff		
3 Federal per line USF support	FCC		
4 Subscriber Line Charge	FCC		
5 Net State High Cost Support per line	L1-(L2+L3+L4)	\$ -	\$ -
6 State USF lines	Company Records		
7 State High Cost Support	L5*L6	\$ -	\$ -
8 Total State High Cost Support per month	L7 (Col A + Col B)	\$ -	
9 State Lifeline Support per line	Commission	\$3.50	
10 Number of Lifeline Customers	Company Records		
11 State Lifeline Support	L9*L10	\$ -	
12 Administrative Expense, allocated to each ILEC	ORS		
13 State USF Support	L8+L11+L12	\$ -	
14 Maximum Percentage of State USF for this phase	Admin. Procedures		
15 State USF cap amount for this phase	L13*L14	\$ -	
16 High Cost Support per line per month from previous phases			
17 Cumulative High Cost Support per month from previous phases	L16*L6	\$ -	\$ -
18 Total High Cost Support per month for previous phases	L17(Col A + Col B)	\$ -	
19 Max. Revenue Reductions available for this phase	L15-(L11+L12+L18)	\$ -	
Calculation for this Phase Revenue Reductions			
20 Revenue Reductions	Approved Tariffs		
21 Revenue reduction as the % of High Cost Support	L20/L8	#DIV/0!	

EXHIBIT B

Exhibit C-1

Company Specific South Carolina USF Disbursement

Company Name: Bluffton Telephone Company, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$50.07	\$50.07	\$53.78	\$53.78
2.	Authorized Maximum Rate		8.08	11.44	8.60	17.20
3.	Gross USF per Line Support	Ln 1 - Ln 2	41.99	38.63	45.18	36.58
4.	Federal per Line USF Support		10.95	10.95	24.35	24.35
5.	Subscriber Line Charge		3.50	5.25	6.50	8.41
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	27.54	22.43	14.33	3.82
7.	State USF Access Lines		4,429	1,982	12,181	5,871
8.	State USF	Ln 6 * Ln 7	<u>\$121,975</u>	<u>\$44,456</u>	<u>\$174,530</u>	<u>\$22,416</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$166,431</u>		<u>\$196,946</u>	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$166,431	\$1,997,171	\$196,946	\$2,363,354
1.	1/3 Limitation for Updating Study			\$665,724		\$787,785
1a.	2/3 for Phase II			\$1,331,447		\$1,575,569
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$234,255		\$234,255
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$395,630		\$395,630
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$629,885		\$629,885
5.	Available for Phase II (Ln 1a - Ln 4)			\$701,563		\$945,685
6.	Amount Requested for Phase II			(\$250,544)		(\$250,544)
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$451,019		\$695,141

*Per SCPSO Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

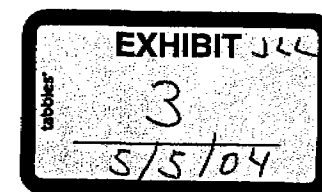


Exhibit C-2

Company Specific South Carolina USF Disbursement

Company Name: Hargray Telephone Company, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$39.70	\$39.70	\$47.03	\$47.03
2.	Authorized Maximum Rate		9.47	19.24	12.08	24.28
3.	Gross USF per Line Support	Ln 1 - Ln 2	30.23	20.46	34.95	22.75
4.	Federal per Line USF Support		0.38	0.38	5.89	5.89
5.	Subscriber Line Charge		3.50	5.25	6.50	8.54
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	26.35	14.83	22.56	8.32
7.	State USF Access Lines		26,638	11,312	32,448	14,838
8.	State USF	Ln 6 * Ln 7	<u>\$701,911</u>	<u>\$167,757</u>	<u>\$731,905</u>	<u>\$123,396</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$869,668</u>		<u>\$855,301</u>	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$869,668	\$10,436,019	\$855,301	\$10,263,610
1.	1/3 Limitation for Updating Study			\$3,478,673		\$3,421,203
1a.	2/3 for Phase II			\$6,957,346		\$6,842,407
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$691,398		\$691,398
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$602,171		\$602,171
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,293,569		\$1,293,569
5.	Available for Phase II (Ln 1a - Ln 4)			\$5,663,777		\$5,548,837
6.	Amount Requested for Phase II			<u>(\$337,890)</u>		<u>(\$337,890)</u>
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$5,325,887		\$5,210,947

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-3

Company Specific South Carolina USF Disbursement

Company Name: Home Telephone Company, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$46.14	\$46.14	\$58.08	\$58.08
2.	Authorized Maximum Rate		11.30	20.78	14.35	28.70
3.	Gross USF per Line Support	Ln 1 - Ln 2	34.84	FALSE	43.73	29.38
4.	Federal per Line USF Support		2.74	2.74	9.99	9.99
5.	Subscriber Line Charge		3.50	4.23	6.50	8.34
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	28.60	-6.97	27.24	11.05
7.	State USF Access Lines		14,317	2,756	16,424	8,145
8.	State USF	Ln 6 * Ln 7	\$409,466	-\$19,209	\$447,454	\$90,034
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$390,257</u>		<u>\$537,488</u>	
			As Approved/Month*	As Approved/Year*	Updated/Month	Updated/Year
Maximum USF			\$390,257	\$4,683,083	\$537,488	\$6,449,851
1.	1/3 Limitation for Updating Study			\$1,561,028		\$2,149,950
1a.	2/3 for Phase II			\$3,122,055		\$4,299,901
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$673,683		\$673,683
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$1,067,719		\$1,067,719
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,741,402		\$1,741,402
5.	Available for Phase II (Ln 1a - Ln 4)			\$1,380,653		\$2,558,499
6.	Amount Requested for Phase II			(\$721,428)		(\$721,428)
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$659,225		\$1,837,071

*Per SCpsc Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-4

Company Specific South Carolina USF Disbursement
Company Name: Horry Telephone Cooperative, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$35.07	\$35.07	\$46.40	\$46.40
2.	Authorized Maximum Rate		10.00	20.55	12.00	22.75
3.	Gross USF per Line Support	Ln 1 - Ln 2	25.07	14.52	34.40	23.65
4.	Federal per Line USF Support		0.00	0.00	6.96	6.96
5.	Subscriber Line Charge		3.50	5.08	6.50	8.00
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	21.57	9.44	20.94	8.69
7.	State USF Access Lines		53,528	8,174	71,361	12,818
8.	State USF	Ln 6 * Ln 7	<u>\$1,154,599</u>	<u>\$77,163</u>	<u>\$1,494,174</u>	<u>\$111,366</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$1,231,762</u>		<u>\$1,605,540</u>	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$1,231,762	\$14,781,138	\$1,605,540	\$19,266,479
1.	1/3 Limitation for Updating Study			\$4,927,046		\$12,715,876
1a.	2/3 for Phase II			\$9,854,092		\$12,844,319
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$798,687		\$798,687
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$812,228		\$812,228
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,610,915		\$1,610,915
5.	Available for Phase II (Ln 1a - Ln 4)			\$8,243,178		\$11,233,405
6.	Amount Requested for Phase II			<u>(\$1,957,949)</u>		<u>(\$1,957,949)</u>
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$6,285,229		\$9,275,456

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-5

Company Specific South Carolina USF Disbursement
Company Name: PBT Telecom, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$56.49	\$56.49	\$61.29	\$61.29
2.	Authorized Maximum Rate		14.35	28.70	14.35	28.70
3.	Gross USF per Line Support	Ln 1 - Ln 2	42.14	27.79	46.94	32.59
4.	Federal per Line USF Support		8.05	8.05	18.97	18.97
5.	Subscriber Line Charge		3.50	4.52	6.50	8.74
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	30.59	15.22	21.47	4.88
7.	State USF Access Lines		11,677	964	14,902	2,199
8.	State USF	Ln 6 * Ln 7	<u>\$357,199</u>	<u>\$14,672</u>	<u>\$320,014</u>	<u>\$10,741</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u><u>\$371,872</u></u>		<u><u>\$330,755</u></u>	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$371,872	\$4,462,458	\$330,755	\$3,969,059
1.	1/3 Limitation for Updating Study			\$1,487,486		\$1,323,020
1a.	2/3 for Phase II			\$2,974,972		\$2,646,040
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$530,421		\$530,421
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$585,367		\$585,367
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,115,788		\$1,115,788
5.	Available for Phase II (Ln 1a - Ln 4)			\$1,859,184		\$1,530,252
6.	Amount Requested for Phase II			<u>(\$470,622)</u>		<u>(\$470,622)</u>
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$1,388,562		\$1,059,630

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

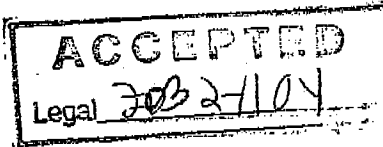
MCNAIR LAW FIRM, P.A.
ATTORNEYS AND COUNSELORS AT LAW

www.mcnair.net

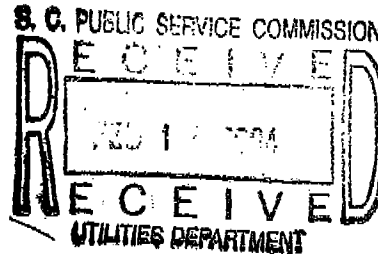
BANK OF AMERICA TOWER
1301 GERRAIS STREET
COLUMBIA, SOUTH CAROLINA 29201

POST OFFICE BOX 11390
COLUMBIA, SOUTH CAROLINA 29211
TELEPHONE (803) 799-9800
FACSIMILE (803) 376-2219

February 10, 2004



The Honorable Bruce F. Duke
Executive Director
South Carolina Public Service Commission
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210



**Re: Proceeding to Establish Guidelines for
an Intrastate Universal Service Fund
Docket No. 97-239-C**

Dear Mr. Duke:

Enclosed for filing please find an original and twenty-five (25) copies of a corrected version of Exhibit C to Mr. Staurulakis' Revised Testimony, which was filed on January 6, 2004 in the above-referenced docket. It recently came to our attention that a printing error in Excel led to the omission of a number in one of the columns on Home Telephone Company's spreadsheet. The omission of that number caused some of the other numbers in that column to be incorrect as well.

The only page that is different from the earlier-filed version of Exhibit C is the page for Home Telephone Company, as explained above. However, we have included an entire Exhibit C to replace the Exhibit C that was attached to Mr. Staurulakis' revised testimony.

Please clock in a copy of this filing and return it with our courier. By copy of this letter, we are serving parties of record.

Very truly yours,

Margaret M. Fox
Margaret M. Fox

MMF:rwm
Enclosures

cc: Parties of Record
Mr. Emmanuel Staurulakis

Exhibit C-1

Company Specific South Carolina USF Disbursement

Company Name: Bluffton Telephone Company, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$50.07	\$50.07	\$53.78	\$53.78
2.	Authorized Maximum Rate		8.08	11.44	8.60	17.20
3.	Gross USF per Line Support	Ln 1 - Ln 2	41.99	38.63	45.18	36.58
4.	Federal per Line USF Support		10.95	10.95	24.35	24.35
5.	Subscriber Line Charge		3.50	5.25	6.50	8.41
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	27.54	22.43	14.33	3.82
7.	State USF Access Lines		4,429	1,982	12,181	5,871
8.	State USF	Ln 6 * Ln 7	\$121,975	\$44,456	\$174,530	\$22,416
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	\$166,431		\$196,946	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$166,431	\$1,997,171	\$196,946	\$2,363,354
1.	1/3 Limitation for Updating Study			\$665,724		\$787,785
1a.	2/3 for Phase II			\$1,331,447		\$1,575,569
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$234,255		\$234,255
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$395,630		\$395,630
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$629,885		\$629,885
5.	Available for Phase II (Ln 1a - Ln 4)			\$701,563		\$945,685
6.	Amount Requested for Phase II			(\$250,544)		(\$250,544)
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$451,019		\$695,141

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-2

Company Specific South Carolina USF Disbursement

Company Name Hargray Telephone Company, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$39.70	\$39.70	\$47.03	\$47.03
2.	Authorized Maximum Rate		9.47	19.24	12.08	24.28
3.	Gross USF per Line Support	Ln 1 - Ln 2	30.23	20.46	34.95	22.75
4.	Federal per Line USF Support		0.38	0.38	5.89	5.89
5.	Subscriber Line Charge		3.50	5.25	6.50	8.54
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	26.35	14.83	22.56	8.32
7.	State USF Access Lines		26,638	11,312	32,448	14,838
8.	State USF	Ln 6 * Ln 7	<u>\$701,911</u>	<u>\$167,757</u>	<u>\$731,905</u>	<u>\$123,396</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$869,668</u>		<u>\$855,301</u>	
			As Approved/Month* As Approved/Year*		Updated/Month Updated/Year	
Maximum USF			\$869,668	\$10,436,019	\$855,301	\$10,263,610
1.	1/3 Limitation for Updating Study			\$3,478,673		\$3,421,203
1a.	2/3 for Phase II			\$6,957,346		\$6,842,407
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$691,398		\$691,398
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$602,171		\$602,171
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,293,569		\$1,293,569
5.	Available for Phase II (Ln 1a - Ln 4)			\$5,663,777		\$5,548,837
6.	Amount Requested for Phase II			<u>(\$337,890)</u>		<u>(\$337,890)</u>
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$5,325,887		\$5,210,947

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-3

Company Specific South Carolina USF Disbursement

Company Name: Home Telephone Company, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$46.14	\$46.14	\$58.08	\$58.08
2.	Authorized Maximum Rate		11.30	20.78	14.35	28.70
3.	Gross USF per Line Support	Ln 1 - Ln 2	34.84	25.36	43.73	29.38
4.	Federal per Line USF Support		2.74	2.74	9.99	9.99
5.	Subscriber Line Charge		3.50	4.23	6.50	8.34
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	28.60	18.39	27.24	11.05
7.	State USF Access Lines		14,317	2,756	16,424	8,145
8.	State USF	Ln 6 * Ln 7	<u>\$409,466</u>	<u>\$50,683</u>	<u>\$447,454</u>	<u>\$90,034</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$460,149</u>		<u>\$537,488</u>	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$460,149	\$5,521,788	\$537,488	\$6,449,851
1.	1/3 Limitation for Updating Study			\$1,840,596		\$2,149,950
1a.	2/3 for Phase II			\$3,681,192		\$4,299,901
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$673,683		\$673,683
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$1,067,719		\$1,067,719
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,741,402		\$1,741,402
5.	Available for Phase II (Ln 1a - Ln 4)			\$1,939,790		\$2,558,499
6.	Amount Requested for Phase II			<u>(\$721,428)</u>		<u>(\$721,428)</u>
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$1,218,362		\$1,837,071

*Per SCPSO Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-4

Company Specific South Carolina USF Disbursement

Company Name: Horry Telephone Cooperative, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$35.07	\$35.07	\$46.40	\$46.40
2.	Authorized Maximum Rate		10.00	20.55	12.00	22.75
3.	Gross USF per Line Support	Ln 1 - Ln 2	25.07	14.52	34.40	23.65
4.	Federal per Line USF Support		0.00	0.00	6.96	6.96
5.	Subscriber Line Charge		3.50	5.08	6.50	8.00
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	21.57	9.44	20.94	8.69
7.	State USF Access Lines		53,528	8,174	71,361	12,818
8.	State USF	Ln 6 * Ln 7	<u>\$1,154,599</u>	<u>\$77,163</u>	<u>\$1,494,174</u>	<u>\$111,366</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u>\$1,231,762</u>		<u>\$1,605,540</u>	
			As Approved/Month* As Approved/Year*		Updated/Month	Updated/Year
Maximum USF			\$1,231,762	\$14,781,138	\$1,605,540	\$19,266,479
1.	1/3 Limitation for Updating Study			\$4,927,046		\$12,715,876
1a.	2/3 for Phase II			\$9,854,092		\$12,844,319
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase			\$798,687		\$798,687
3.	USF Withdrawal Request for End Use Step in Initial Phase			\$812,228		\$812,228
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)			\$1,610,915		\$1,610,915
5.	Available for Phase II (Ln 1a - Ln 4)			\$8,243,178		\$11,233,405
6.	Amount Requested for Phase II			<u>(\$1,957,949)</u>		<u>(\$1,957,949)</u>
7.	Available Amount not Requested (Ln 5 - Ln 6)			\$6,285,229		\$9,275,456

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

Exhibit C-5
Company Specific South Carolina USF Disbursement
Company Name: PBT Telecom, Inc.

Line	High Cost Support	Source	As Filed 1997		Updated 2002	
			Col A Residence	Col B Business	Col A Residence	Col B Business
1.	Cost per Line		\$56.49	\$56.49	\$61.29	\$61.29
2.	Authorized Maximum Rate		14.35	28.70	14.35	28.70
3.	Gross USF per Line Support	Ln 1 - Ln 2	42.14	27.79	46.94	32.59
4.	Federal per Line USF Support		8.05	8.05	18.97	18.97
5.	Subscriber Line Charge		3.50	4.52	6.50	8.74
6.	Net State USF per Line Support	Ln 3 - Ln 4 - Ln 5	30.59	15.22	21.47	4.88
7.	State USF Access Lines		11,677	964	14,902	2,199
8.	State USF	Ln 6 * Ln 7	<u>\$357,199</u>	<u>\$14,672</u>	<u>\$320,014</u>	<u>\$10,741</u>
9.	Total Monthly State USF	Ln 8 Col A + Ln 8 Col B	<u><u>\$371,872</u></u>		<u><u>\$330,755</u></u>	

Maximum USF		As Approved/Month*	As Approved/Year*	Updated/Month	Updated/Year
1.	1/3 Limitation for Updating Study	\$371,872	\$4,462,458	\$330,755	\$3,969,059
1a.	2/3 for Phase II		\$1,487,486		\$1,323,020
2.	USF Withdrawal Request for Access Reduction Step in Initial Phase		\$2,974,972		\$2,646,040
3.	USF Withdrawal Request for End Use Step in Initial Phase		\$530,421		\$530,421
4.	Total EU Withdrawal and Access Reduction in Initial Phase (Ln 2 + Ln 3)		\$585,367		\$585,367
			\$1,115,788		\$1,115,788
5.	Available for Phase II (Ln 1a - Ln 4)		\$1,859,184		\$1,530,252
6.	Amount Requested for Phase II		(\$470,622)		(\$470,622)
7.	Available Amount not Requested (Ln 5 - Ln 6)		\$1,388,562		\$1,059,630

*Per SCPSC Order No. 98-322 Docket No. 1997-239-C Approving Cost Models Filed by SCTC.

**BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2009-326-C

IN RE:

State Universal Service Support of Basic
Local Service Included in a Bundled
Service Offering or Contract Offering

CERTIFICATE OF SERVICE

This is to certify that I, Leslie Allen, a legal assistant with the law firm of Robinson, McFadden & Moore, P.C., have this day caused to be served upon the person(s) named below **SOUTH CAROLINA CABLE TELEVISION ASSOCIATION, COMPSOUTH, tw telecom of south carolina, llc, AND NUVOX COMMUNICATIONS INCORPORATED's RESPONSE TO THE JOINT MOTION FOR REVIEW AND COMMISSION'S ORDER OF OCTOBER 15, 2009** in the foregoing matter by placing a copy of same in the United States Mail, postage prepaid, in an envelope addressed as follows:

Nanette S. Edwards, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, SC 29211

Burnet R. Maybank, III, Esquire
Nexsen Pruet, LLC
PO Drawer 2426
Columbia, SC 29202

Patrick W. Turner, Esquire
BellSouth Telecommunications, Inc.
Post Office Box 752
Columbia, SC 29202

M. John Bowen, Jr., Esquire
Margaret M. Fox, Esquire
McNair Law Firm, P.A.
P.O. Box 11390
Columbia, SC 29211

Scott A. Elliott, Esquire
Elliott & Elliott
721 Olive Street
Columbia, SC 29205

Susan S. Masterton, Esquire
Embarq
Mailstop: FLTLH00102
1313 Blair Stone Road
Tallahassee, FL 32301

Steven W. Hamm, Esquire
Richardson, Plowden, Carpenter & Robinson, PA
1900 Barnwell Street
P.O. Drawer 7788
Columbia, SC 29202-7788

Benjamin P. Mustian, Esquire
Willoughby & Hoefer, P.A.
1022 Calhoun Street, Suite 320
Post Office Box 8416
Columbia, SC 29202

John M.S. Hoefer, Esquire
Willoughby & Hoefer, P.A.
1022 Calhoun Street, Suite 320
Post Office Box 8416
Columbia, SC 29202

William R. L. Atkinson, Esquire
Sprint Nextel Corporation
233 Peachtree Street, N.E., Suite 2200
Atlanta, GA 30303

Dated at Columbia, South Carolina this 19th day of October, 2009.



Leslie Allen